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AFGHANISTAN. 18 *July*—The Pakistan delegation to the joint Pakistan-Afghan Commission, set up to investigate the frontier incident of 12 June, arrived at Kabul.

ARGENTINA. 16 *July*—President Peron said in a speech to a party of Brazilian students visiting Buenos Aires that the only solution to Latin-American problems was a union between Argentina and Brazil, which would eliminate 'useless frontiers'.

AUSTRALIA. 8 *July*—*Strikes*. It was estimated that 630,000 people were unemployed as a result of the coal strike.

10 *July*—*Budget*. Mr Chifley, Prime Minister, said in a broadcast that total revenue for the year ended 30 June was £A535 million, which was £A43 million more than the Budget estimate. Total expenditure was £A529 million—£A19 million above the Budget estimate.

11 *July*—Air transport agreement with India (*see India*).

17 *July*—*Strikes*. Western Australian miners decided at a meeting to resume work and leave their claims to arbitration. Mr Chifley, broadcasting to the nation, said that the miners must forsake the law of the jungle or ally themselves with the world-wide movement which sought to wreck the democratic way of life.

19 *July*—*Strikes*. The Arbitration Court ordered the freezing of £A3,000 of Communist Party funds.

AUSTRIA. 12 *July*—U.S. authorities in Vienna alleged that two U.S. lorries, returning to the capital from the U.S. Zone, had been refused permission to pass through the Soviet Zone.

18 *July*—A Government official said that twenty-two people, including a member of the Government's Foreign Trade Department, eight Communist police officers, and an English and an Italian business man, had been arrested in connection with 'Soviet-sponsored transactions' aimed at supplying essential metals and scrap iron to eastern European countries.

19 *July*—It was learned that the non-Communist Slovene minority had set up a provisional 'National Council of Corinthian Slovenes' and had requested that a statute embodying the rights of the minority should be written into the peace treaty. The draft statute was handed to the Chancellor, Dr Figl, by a Slovene delegation. It proposed that the Slovenes should be ensured equal rights under the Constitution, and that the Slovene National Council should be acknowledged as constitutionally representative of the Slovene minority, having autonomy in cultural and language affairs, and possessing certain legislative powers.

20 *July*—Two policemen were shot dead by Yugoslav frontier guards near Klagenfurt.

BELGIUM. 10 *July*—Mr Snyder, the U.S. Secretary of the Treasury, arrived in Brussels.

11 *July*—Mr Snyder was received by the Regent and later had talks

with M. Eyskens, the Minister of Finance, and M. Frère, the Governor of the National Bank. Asked at a press conference whether he advocated the revaluation of European currencies, he said: 'My position is that the International Monetary Fund . . . is the place to discuss exchange rates.'

12 July—The new Parliament met. It was learned that pending the formation of a new Cabinet M. Spaak's coalition was acting as a 'caretaker' Government.

17 July—It was learned that M. Cauwelaert's proposals for a Coalition Government had been rejected by the Socialists and the Liberals.

20 July—M. van Cauwelaert received the Liberal Party's programme for a new Government, and handed the proposals to his party executive and to the Socialist negotiators. It was learned that the Liberals were insisting on a national solution of the Royal question and that they favoured the re-establishment of a free economy, a 25 per cent reduction of direct taxation, and a reduction of public expenditure.

BRAZIL. 16 July—President Peron's suggestion for Argentine-Brazil union (*see Argentina*).

BRITISH WEST AFRICA. 13 July—Proposals for constitutional reform in Sierra Leone (*see Great Britain*).

BULGARIA. 10 July—The funeral of Mr Dimitrov was attended by the representatives of twenty-three Communist parties. Mr Kolarov, the acting Prime Minister and Foreign Minister, was absent from the ceremony.

20 July—It was announced that Mr Kostov, the former Communist deputy Prime Minister, had been arrested on 25 June on charges of economic sabotage. The arrest of Mr Halchev, an Agrarian deputy, on charges of espionage was also announced.

Mr Kolarov, Foreign Minister and acting Prime Minister, was elected Prime Minister by the National Assembly. Mr Chervenkov, a brother-in-law of Mr Dimitrov, was elected deputy Prime Minister to succeed Mr Kostov.

BURMA. 11 July—Government troops recaptured the railway towns of Myinmu, Myothu, and Myingyan between forty and sixty miles from Mandalay.

12 July—Government troops reoccupied Mudon, twenty miles south of Moulmein.

14 July—Saw Ba U Gyi, the Karen leader, and sixteen armed escorts were reported to have been killed in a clash between Karens and Communists near Nyaunglebin.

The Army radio announced that fifty-one rebels had been killed and several wounded when Government troops beat off a rebel attack on Myingyan.

BURMA (*continued*)

The Burmah Oil Company announced that it had completed the evacuation of all British employees at the Yenangyaung oilfields to Chauk. All reconstruction work at Yenangyaung had ceased because of rebel activities.

15 July—The Government announced that they were taking over operations at the Yenangyaung oilfield, evacuated by the British.

18 July—Government troops claimed to have killed 150 rebels in a battle near Daiku.

19 July—Government planes inflicted heavy casualties on rebel concentrations in the Pegu district.

CANADA. 7 July—Mr Abbott in London (*see Great Britain*).

10 July—Canadian-British-U.S. statement on sterling-dollar balance (*see Great Britain*).

19 July—U.S. discussions on relations with Canada and Britain in the field of atomic energy (*see United States*).

20 July—The Atomic Energy Control Board met in private at Chalk River.

CEYLON. 19 July—*Sterling Dollar Balance*. Mr Senanayake, Prime Minister, commenting on the Commonwealth discussions, said Ceylon would cut dollar imports without prejudice to her capital works programme for agriculture and industry.

Indonesia. The ban on the entry of Dutch ships and aircraft, imposed in December as a protest against the police action in Indonesia, was lifted.

CHINA. 7 July—Peking radio broadcast the text of a declaration attacking U.S. policy in the Far East. The signatories included Mao Tse-tung, Gen. Chu Teh and other Communist leaders and non-Communist collaborators.

9 July—The Communist authorities in Shanghai released Mr Olive, the U.S. Vice-Consul, who was suffering from bruises and concussion. The Communist press said that his offences had included beating the police and destroying public property, and it published an apology allegedly coming from him.

10 July—Gen. Chiang Kai-shek in the Philippines (*see Philippines*).

A British merchant ship was intercepted by a Nationalist warship twenty-four hours after leaving South Korea. She was later allowed to proceed.

11 July—Proposal by Gen. Chiang and President Quirino for a Pacific Union (*see Philippines*).

14 July—Gen. Chiang Kai-shek arrived in Canton from Formosa. He issued a statement urging the Nationalists to unite under the acting President and the Prime Minister, to fight the 'intrigue of international aggression'.

Reports reaching Hong Kong said that extensive flooding of the

Yangtze and Yellow Rivers had resulted in 20,000 casualties, and that about two million people were homeless.

15 July—The Nationalists were reported to be attacking at several points along the coast-line.

The military control commission in Shanghai ordered the British and U.S. information services to suspend operations.

Mao Tse-tung said in an article in the *Cominform Journal*, published in Bucharest, that 'Chinese and foreign reactionaries' must be destroyed before Communist China resumed commercial and diplomatic relations with foreign States.

17 July—It was learned that a Supreme Policy Council had been formed at Canton under Gen. Chiang Kai-shek, with Gen. Li Tsung-jen as his deputy, to replace the Kuomintang Central Political Council. The organization would have its headquarters at Canton, and branches in Formosa and Chungking.

The Nationalist news agency admitted the capture by the Communists of Sinyuho, in western Kiangsi. The Communists were also reported to be advancing on Changsha, Chuchow and Hengya in Hunan province, and on Ichang in western Hupeh.

Mme Sun Yat-sen, sister of Mme Chiang Kai-shek, was reported by Peking radio to have sponsored, with 697 others, a new Sino-Soviet friendship society being formed in Communist China.

18 July—*Hong Kong*. With the arrival of further reinforcements the total strength of the garrison was estimated to be about 10,000.

19 July—The Communist press claimed that four Nationalist armies had been routed in north-west China. In the central area the Communists claimed to be advancing south on a 500-mile front and to have taken sixteen cities. The Nationalists claimed the recapture of Kian, 300 miles north of Canton.

COMMONWEALTH CONFERENCE. 13 July—A conference of Commonwealth Finance Ministers opened in London to consider the problem of the balance of payments between the sterling area and the dollar countries. The countries represented and the heads of delegations were: Australia, Mr Dedman, Minister of Defence and Post-War Reconstruction, deputizing for Mr Chifley; Canada, Mr Abbott; Ceylon, the High Commissioner in London, pending the arrival of Mr Jayawardene; India, Dr Matthai; New Zealand, Mr Nash; Pakistan, Mr Ghulam Muhammad; South Africa, Mr Havenga; Southern Rhodesia, Mr Whitehead; United Kingdom, Sir Stafford Cripps. Major Maynard Sinclair, Finance Minister of Northern Ireland, was present as an observer.

18 July—A final meeting was held. A communiqué issued later said that the representatives of the sterling area had expressed appreciation at Canada's representation at the conference, and that attention had also been given to the special position of South Africa, which was not a member of the sterling area dollar pool. They had recognized the contribution to sterling-area dollar earnings made by certain colonial

COMMONWEALTH CONFERENCE (*continued*)

territories such as Malaya. It had been reaffirmed that the strength and stability of sterling were essential to the well-being of the sterling area and also of the world as a whole. Immediate steps necessary to check the drain on the central reserves of sterling had been discussed and the Ministers concerned had agreed to recommend to their Governments action comparable in its results to that already decided upon by the United Kingdom. Emergency measures, though necessary, were unconstructive. It had been recognized that the problems of the past few months were an aggravation of long-standing difficulties and the meeting had therefore been pleased to note that discussions had taken place between British, Canadian, and U.S. Ministers, and had agreed with them that the aim must be the achievement of a pattern of world trade in which the dollar and non-dollar countries could operate together within one single multilateral system. They had also agreed that the achievement of this aim depended on the establishment of conditions which would make a single multilateral system of world trade and payments practicable. It had been agreed that the Governments represented would consider, in collaboration with other Governments concerned, measures designed to establish these conditions, and that in endeavouring to solve the shorter-term problem care should be taken to concentrate upon measures which would fit into the permanent pattern of world trade.

It had been agreed that a lasting solution of the sterling area's difficulties could not be found without a very substantial expansion of the area's earnings of dollars and the most effective use and development of the resources of each component part. Practical means to this end had been discussed and accepted for recommendation to Governments. Ministers had recognized the special position of the under-developed countries which, with assistance, might not only improve the standard of living of their people but also make a greater contribution to world resources. Recommendations had been made for close and continuing consultations between Governments.

Sir Stafford Cripps told a press conference that this had been one of the most successful Commonwealth Conferences ever held. The reference to the less developed countries of the Commonwealth covered agricultural as well as industrial development. The conference had discussed trade between western and eastern Europe, and also commodity arrangements which might be made under the International Trade Organization. There had also been discussions on the complicated question of oil resources both in the sterling area and in the dollar countries.

CONFERENCE ON PALESTINE. 18 *July*—The Lausanne talks were resumed.

COUNCIL OF FOREIGN MINISTERS. 12 *July*—*Austrian Treaty*. The deputies agreed the U.S.S.R. might export the profits and other income from her oil and shipping properties in Austria either in the

form of output or of the convertible currencies which she could earn by the sale of the output of these concerns. They also agreed that the properties, rights, and interests transferred to the U.S.S.R. should operate under Austrian law.

13 *July*—*Austrian Treaty*. Agreement was reached on a time-limit of two months for the return to Austria of the former German assets held by the U.S.S.R., and also on the same time-limit for the formal recognition by the Austrian Government of the Soviet right to the oil and shipping interests.

CZECHOSLOVAKIA. 7 *July*—It was announced that a court at Kosice had sentenced nine persons to terms of imprisonment of up to ten years for their part in recent religious riots in Slovakia. Two persons were acquitted.

9 *July*—Dr Pica, Bishop of Hradec Kralove, described himself in a sermon as a 'semi-prisoner cut off from my diocese' and protested against the 'unconstitutional and exceptional police measures' against the Catholics.

10 *July*—It was learned that Dr Matocha, attached to the staff of the Archbishop of Olomouc, and Father Smrzlik, a secretary at the Papal Nunciature in Prague, had been arrested.

11 *July*—The text became available of a Communist Party directive issued to party officials at the beginning of July. It declared that Church influence must be removed from the villages in order to clear the way for Communism. The Government did not want to liquidate the faith but to sever the connection between the Vatican and the hierarchy.

14 *July*—Mgr Verolino, the Vatican's representative, left for Italy.

15 *July*—A Bill was published giving the State control over Church appointments, finances, and administration. The Minister of Justice said in a speech to the Central Action Committee that the text of the Bill had been referred to all the Churches and that all but the Catholics had approved it 'enthusiastically'. After declaring that one-third of the Czechoslovak Catholics were members of the Communist Party, and more than four-fifths members of the National Front organizations, he attacked Archbishop Beran and condemned the Vatican's excommunication order as an 'expression of impotence'. He later declared that any one attempting to enforce the excommunication order would be committing treason.

Mr Zapotocky, Prime Minister, warned Archbishop Beran that he could be 'expelled from the nation as a traitor'.

16 *July*—It was announced that a 'Union of Citizens without Religion' had been formed which would carry out free of charge the formalities necessary for leaving the Church, and issue a certificate to that effect.

17 *July*—A proclamation was read in many Churches affirming the loyalty of the priests to the bishops, and disowning the Catholic Action Committee.

18 *July*—Six Ministers left by air for Moscow, at the invitation of the Soviet Government, to spend a month's holiday, combined with

CZECHOSLOVAKIA (*continued*)

study, in the Caucasus. They were: Dr Nejedly (Education), who was also in charge of Church Affairs, Mr Kopecky (Information), Dr Neumann (Posts), Dr Slechta (Works), Mrs Jankovcova (Food), and Father Plojhar (Health).

The five men sentenced to death on 9 June in connection with the expulsion of Capt. Wildash, were executed.

19 *July*—A number of Catholic priests and nuns were summoned to a meeting at the Education Ministry and warned that collective retaliatory measures would be taken against all ecclesiastics and their followers if they carried out the Vatican's decree of excommunication against Communists.

DENMARK. 15 *July*—*Council of Europe*. It was announced that the Government had deposited with the British Government their instrument of ratification for membership of the Council.

EGYPT. 12 *July*—The frontier with Cyrenaica was closed until further notice owing to the reluctance of the British Military Administration in Benghazi to surrender three ex-members of the Muslim Brotherhood, accused of terrorist activities, who had fled the country and were reported to have taken refuge in the palace of the Emir Idris el Senussi.

16 *July*—Mahmud Hassan Pasha, Minister of State, died in Alexandria.

20 *July*—The agreement exempting the Suez Canal Company from some of the requirements of company law was ratified by the Senate.

Mr Snyder, Secretary of the U.S. Treasury, arrived in Cairo.

EIRE. 7 *July*—A trade agreement was signed with France providing for increased exchanges of goods.

13 *July*—*Council of Europe*. The Dail unanimously ratified the Statute of the Council.

EMPIRE MINING AND METALLURGY CONGRESS. 11 *July*—The Congress opened in London attended by delegates from sixteen Commonwealth countries and twelve other countries, including the U.S.A.

EUROPEAN ECONOMIC CO-OPERATION. 18 *July*—Mr Kenney, the new head of the E.C.A. mission to Britain, arrived in Paris from Washington to confer with Mr Harriman. He was accompanied by Mr Bissell, assistant deputy administrator of the E.C.A.

FRANCE. 7 *July*—Trade agreement with Eire (*see Eire*).

R.P.F. M. Giacobbi, announced his resignation from the chairmanship of the Gaullist Parliamentary group and also from the Executive Council of the Movement as a protest against the tendency of the R.P.F. to abandon its non-party character.

Mr Snyder, U.S. Secretary of the Treasury, said in a statement that

he was much impressed with the marked improvement in the French economic position. His discussions with French leaders had included questions of 'internal French monetary developments and the current international trade and payments position of France'. It had been agreed that the International Monetary Fund provided the appropriate forum for international co-operation in the field of exchange rate policy. He told a press conference that the fall in U.S. purchases from the sterling area was 'probably due to seasonal readjustments' and to the price situation. He thought it likely that there would soon be a renewal of purchases of raw materials for industry.

8 July—*Spain*. An agreement was signed between representatives of French and Spanish banks for opening credits in France to buy industrial machinery for Spain.

9 July—*Council of Europe*. The Assembly passed a Bill ratifying the statute of the Council of Europe by 423 votes to 182. The Bill laid down that of the eighteen French representatives to the Consultative Assembly twelve must be elected from the National Assembly and six from the Council of the Republic by an absolute majority vote.

The Assembly passed a Bill extending Parliamentary immunity.

12 July—*Strikes*. Dockers at Rouen, Nantes, and St Nazaire came out on strike in support of the London dock strike.

13 July—*R.P.F.* Four members of Parliament who had recently been excluded from the R.P.F. warned Gen. de Gaulle in an open letter of the increasingly feudal attitude of his Rally and urged him to dismiss some of its leaders.

15 July—The forty-first Socialist Party Congress opened in Paris.

17 July—*Madagascar*. It was announced that as a measure of clemency 'to bring about the appeasement necessary to the revival of prosperity in Madagascar', the President of the Republic had granted reprieves to the three Malagasy deputies and to two other Malagasies, who had been sentenced to death for organizing the 1947 revolt. Their sentences had been reduced to deportation for life.

18 July—The Socialist Party Congress ended after passing a resolution in favour of the party's remaining in the Government coalition, and urging the Government to reduce prices and defend the nationalization and social security policies.

20 July—Protest against Government's responsibility for Italy's participation in Atlantic Pact (*see U.S.S.R.*).

Indo China. A treaty was signed between the President of the Republic and the King of Laos under which Laos became an independent sovereign State 'within the framework of the French Union'.

Ex-Italian Colonies. A statement issued after a meeting of the Council of Ministers recalled that France had already taken up her position on the future of the former Italian colonies, and of Libya in particular (i.e. that Cyrenaica should be placed under British trusteeship, Fezzan under French trusteeship, and Tripolitania under a collective trusteeship, with special recognition for Italy's position). The opportunity had been taken of reaffirming these views at a moment when incidents of 'a plainly discernible political nature' were taking place in Tripolitania.

FRANCE (*continued*)

Strikes. The executive committee of the C.G.T. called on dockers at all French ports to refuse to unload ships coming from London which had been loaded by troops.

GERMANY. 7 *July—Berlin.* The three western Commandants held a private meeting.

Interzonal trade talks began between representatives of the Frankfurt Economic Council and the German Economic Commission.

8 *July—Berlin.* The three western Commandants instructed the *Magistrat* to recast the budget which, contrary to allied orders, showed a large deficit, with a view to balancing expenditure from available resources. The new budget must be submitted to the *Kommandatura* by 1 August, and pending its approval the city treasurer must submit monthly estimates for prior approval.

The Soviet authorities stopped all lorries bound for Berlin from the west at Herrenburg, near Lübeck.

A court in east Berlin tried three alleged railway saboteurs (none of them railwaymen). Two were acquitted and the third was sentenced to eighteen months imprisonment.

Western Germany. Gen. Robertson, British Military Governor, Gen. McCloy, the U.S. High Commissioner designate, and Gen. Noiret, the French deputy Military Governor, met at Bonn and approved the choice of the city as the seat of the Federal Government. They also defined the limits of the Government's independent Zone and decided on the headquarters of the High Commission within the enclave.

A Soviet officer was shot dead by a U.S. officer in an incident near Coburg on the interzonal border.

9 *July—Berlin.* All zonal road crossings, except that at Helmstedt-Marienborn, were closed by the Soviet authorities to Berlin-bound traffic. The British transport authorities asked Gen. Kvashnin, the Soviet transport chief, for an explanation for these new restrictions.

10 *July—Berlin.* The Soviet authorities at Marienborn refused to allow more than four heavy lorries an hour to pass to Berlin. (Normally about 450 lorries passed this point every day.)

It was learned that the German Economic Commission in the Soviet Zone had placed its first contract with the west, for half a million Deutschmarks' worth of cutlery.

12 *July—Berlin.* A representative of the Soviet transport administration told the British transport authorities by telephone that the secondary zonal road crossings had been closed in accordance with a four-Power agreement that German traffic should use only the main highway between the western Zones and Berlin. He denied that there had been any hold-up at Marienborn. Gen. Maclean, the British deputy Military Governor, protested about the restrictions to Gen. Dratvin, the Soviet deputy Military Governor.

At the first meeting of the four Commandants since the Paris agreement, the three western Commandants drew attention to the new road restrictions which amounted to 'a partial road blockade' in defiance of

the New York agreement. Gen. Kotikov took the line that the matter was outside Berlin and was therefore not within his province.

13 *July—Berlin.* The interzonal trade talks were interrupted. The Frankfurt Economic Council said in a statement that no agreement could be signed until the traffic restrictions had been lifted. It was understood that proposals by the German Economic Commission for parity between the eastern and western marks in trade payments had been rejected, and that modified proposals had then been put forward for submission to Frankfurt.

The restrictions at Marienborn were continued until evening, when they were relaxed and lorries were allowed to pass through to Berlin at the normal rate.

Resolution on refugees and dismantling (*see World Council of Churches*).

14 *July*—Foreign Office denial that British economic aid would cease on expiry of bizonal fusion agreement (*see Great Britain*).

15 *July—French Zone.* Sixteen people were believed killed and over 100 injured in an explosion at a munition dump near Prüm.

17 *July—Refugees.* At a mass meeting of refugees from western Poland, held in the U.S. Sector of Berlin, Dr Friedensburg, the deputy Mayor, declared that the Oder-Neisse line was a danger to world peace.

Over 35,000 German refugees from western Europe held a meeting at Friedberg, Hesse, and demanded the return of the eastern territories to Germany.

18 *July—Berlin.* A four-Power meeting of experts was held to discuss methods of implementing the Paris agreement.

Ruhr. A preliminary meeting of the International Ruhr Authority was held in Düsseldorf.

19 *July—Soviet Zone.* A one-year trade agreement was signed in Berlin between Sweden and Soviet and German representatives of the eastern Zone providing for an exchange of goods amounting to about 40 million Swedish crowns in each direction. Payment would be made in Swedish crowns.

Dismantling. It was learned that iron and steel interests in the Ruhr had sent a memorandum to the Marshall Plan committee of the U.S. Senate and to 3,000 U.S. business men refuting the British Foreign Office statement of 9 June.

20 *July—Berlin.* A joint letter sent by the three western Commandants to Gen. Kvashnin, which was made public, protested that the Reichsbahn directorate had broken the recent strike agreement by continuing to pay railway workers from the western Sectors employed in the eastern Sector solely in east marks. The letter recalled that Gen. Kvashnin had confirmed in writing the Reichsbahn's undertaking to pay 60 per cent of the men's wages in west marks.

Max Reimann, the west German Communist leader was released from gaol having served his three months' sentence.

Complaint about Dutch economic difficulties in Germany (*see Netherlands*).

GREAT BRITAIN. 7 *July—E.R.P.* Mr Wilson, President of the Board

GREAT BRITAIN (*continued*)

of Trade, said in a statement to the Commons that the recent O.E.E.C. agreement on proposed measures for freeing European trade (*see p. 426*) was based on proposals submitted by the Chancellor of the Exchequer. When making their plans the Government would be guided by three main considerations: (1) the relaxations could not be applied to countries with which they would cause balance of payments difficulties, and they must not involve any spending of gold and dollars; (2) Britain's obligations to countries outside the O.E.E.C. must not be neglected; (3) the extent to which Britain could go in removing restrictions must depend on the extent to which other countries felt able to reciprocate. Further, in deciding upon the list of goods to be freed from import restrictions, the Government must consider the legitimate interests of British industry. Import controls could not be relaxed on goods whose production was subject to domestic restrictions.

Mr Attlee, Prime Minister, speaking at a dinner given by the Royal Institute of International Affairs referred to the difficulties of the United Nations and said that what was lacking was the common will to reach agreements acceptable to all. International relations must be based on a common acceptance of international law and of objective standards, not only by Governments but by peoples.

Strikes. Troops began to handle food cargoes at the London docks. The number of men on strike increased to 8,796. Ninety-seven ships were idle.

Kashmir. Mr Noel-Baker, Secretary for Commonwealth Relations, said in a written Parliamentary reply that progress on the Kashmir dispute had been temporarily held up but that he was confident that both parties still desired that the matter should be settled by a plebiscite, and that the British representative on the Security Council had been instructed accordingly.

Mr Abbott, the Canadian Finance Minister, arrived in London.

8 July—*Sterling-dollar Balance.* Mr Attlee received Mr Snyder, Secretary of the U.S. Treasury, Mr Harriman, European representative of the E.C.A., Mr Douglas, the U.S. Ambassador, and Mr Abbott, the Canadian Minister of Finance. Mr Bevin, the Foreign Secretary, Mr Wilson, and Mr Noel-Baker were also present. Later the U.S. and Canadian Ministers began discussions with Sir Stafford Cripps, Chancellor of the Exchequer.

Strikes. Mr Ede, Home Secretary, told the Commons that the London dock strike had been encouraged by the Communists and that it was a challenge to the authority of the State. Unless work was resumed on 11 July a state of emergency would be proclaimed.

India. Sir Stafford Cripps speaking at a dinner of the Indian Merchants Bureau said that the stability of Asia depended largely on the leadership of India and on her ability to raise her people's standard of living. The economies of Britain and India were complementary and fitted the two countries for a close partnership of interest. Dr Matthai, the Indian Finance Minister, said that the stability of sterling was in India's interest and that she would co-operate with Britain in trying

to solve the dollar crisis. Purchases from America would be cut down but there was a limit beyond which they could not go without jeopardizing their economy.

10 July—*Sterling-dollar Balance*. The triangular discussions ended with an informal meeting at Chequers. A statement issued afterwards said that views had been exchanged on the means of righting the disequilibrium between the sterling and the dollar areas, both in the long and the short term. It had been reaffirmed that the objectives of the economic policy of all three Governments remained those set out in the International Monetary Fund agreement and the Havana Charter for an International Trade Organization. Stress had been laid on the necessity of finding solutions which would 'maintain high levels of employment and enable world trade and international payments to develop on a multilateral basis'. It had been agreed that the general approach to existing problems must be based upon 'full recognition of their profound and long-term character. The difficulties of the past few months were no more than an aggravation of deep-seated maladjustments. All agreed that remedies other than financial assistance such as that provided by the United States and Canada must be explored. The aim must be the achievement of a pattern of world trade in which the dollar and non-dollar countries can operate together with one single multilateral system. All parties concerned must be prepared to review their policies with this object in view. As the next step it is proposed that technical and fact-finding discussions should take place between the three Governments, in preparation for further Ministerial discussions which, it is hoped, can be held in Washington early in September.

'As regards immediate problems, there was a comprehensive examination of the influences which had brought about the recent acceleration in the drain on the reserves of the sterling area. This led to a general discussion, in which the United Kingdom representatives outlined the preliminary steps which they felt it necessary to take to meet the immediate situation. A number of supplementary measures were suggested which could be taken by the Governments, either individually or in concert, to strengthen the present position. It was agreed that they should be the subject of further consideration. In this connection no suggestion was made that sterling be devalued.

'There was full recognition, in the discussions, of the vital part which assistance under the European Recovery Programme is playing in maintaining the economic position in the United Kingdom and in the other countries participating in the O.E.E.C.'

The Regent of Iraq arrived in London on a private visit.

Strikes. Sir Hartley Shawcross, the Attorney General referring in a speech at St Helens to the London dock strike, said that these unofficial strikes were either started or formented by Communist agitation. They were 'an act of economic and political treason to our movement and our country'. Speaking later at Ipswich he reaffirmed the Communist responsibility for the strikes.

11 July—*Strikes*. The London dockers failed to return to work and a Royal Proclamation was issued in accordance with the Emergency

GREAT BRITAIN (*continued*)

Powers Act, 1920, announcing a state of emergency. Mr Isaacs, Minister of Labour, told the House that the strikers were confused about the legal position, and repeated that they were acting in breach of an agreement and of the dock labour scheme. The number of dockers idle rose to nearly 11,000. 121 ships were held up and six undermanned.

Workers at nine railway goods depots in Manchester and Salford began a go-slow campaign for higher wages.

Trade Unions. The Transport and General Workers Union decided at a conference at Scarborough that no member of the Communist Party should be eligible to hold office.

Mr Mayhew, Under Secretary, Foreign Office, told the House at question time that representations had been made to the U.S.S.R. about the disappearance of an employee on the Embassy staff in Moscow on 17 January last. The Soviet reply had been unsatisfactory but there was no further action that the Government could take about the case.

Mr Kennan, director of the Policy Planning staff of the State Department, arrived for a short visit.

12 July—Strikes. The names of the five members of the docks Emergency Committee were announced. The number of men on strike rose to nearly 13,000.

Sterling-dollar Balance. Mr Nash, New Zealand Finance Minister, suggested to a press conference on his arrival in London that a way of bridging the dollar gap might be the investment by the U.S.A. of its surplus trading account in the sterling area, and the countries economically connected with it.

M. Kaczmarek, a former member of the Polish army, was sentenced to three years imprisonment on charges of espionage.

13 July—Sierra Leone. The Colonial Office announced that the Governor of Sierra Leone had put forward proposals for constitutional reform as follows: The Executive Council should be composed of four officials and four unofficial members. A committee representing all interests in the Colony and Protectorate should be set up to review the Constitution of the Legislative Council. The administration should be substantially decentralized and a certain responsibility transferred in the Protectorate to new provincial authorities. The Protectorate Assembly should be retained as a consultative body.

Strikes. Mr Attlee told the Commons that 13,528 men were on strike at the London docks, and 11,000 at work. The trouble had originated out of a dispute between two Canadian Unions, one of which, the Canadian Seamen's Union, had decided to call a strike in foreign ports. He was well aware of the objection of trade unionists in the dock industry to working 'black' ships, but in this case the men's loyalty had been misguided and was being unscrupulously exploited. The strikes were contrary to the decisions of the responsible unions in Britain and Canada and of the International Transport Workers' Federation. The docks scheme had brought untold benefits to the dock workers, but rights brought obligations and the whole position of the trade unions

was jeopardized by breaches of agreement. The country was suffering grievous loss as a result of the strikes and the Government had been forced to advise the proclamation of a state of emergency. Mr Eden, for the Opposition, supported the emergency measures taken by the Government but deplored the fact that the trade union leaders had lost authority over their men and also the Government's failure to explain the issues to the men in the early stages of the dispute.

Mr Isaacs, Minister of Labour, paid tribute in a broadcast to the traditional loyalty of the dockers to their fellow workers but declared that in this case their sense of loyalty had been exploited. The Canadian ships involved were not 'black' for the contract under which they had sailed from Canada had not been broken. The Canadian seamen's strike was part of a plan to injure British commerce at a critical moment. He urged the men to return to work and show their support for the nation rather than for the Communists.

Conference of Commonwealth Finance Ministers on sterling-dollar balance (*see Commonwealth Conference*).

The Prime Minister and Mr Churchill, accompanied by other Ministers and leading members of the Opposition, held a formal discussion on defence questions.

Mr Wilson, speaking at a luncheon of the British and Latin-American Chamber of Commerce, emphasized the importance of maintaining and increasing trade with Latin-America.

Colonies. The first annual report published by the Colonial Development Corporation (H.C. 188) stated that work was in operation on nine undertakings costing £3,034,000, and that fifty-seven more projects were under consideration. Five regional Corporations had been set up covering twenty-five territories. The report drew attention to the close link between the objectives of reducing the dollar deficit and that of raising the living standards in the Colonies, and suggested an increase in food production in the area as a whole. In the first half of 1948 the Colonial empire was running a dollar surplus of £37,500,000 a year, but this was almost entirely due to Malayan tin and rubber and West African cocoa.

14 July—*Sterling-dollar Balance.* Sir Stafford Cripps told the House that the recent deterioration in the dollar situation was mainly due to a drop in dollar exports and invisible earnings to the dollar area, and to a fall in the prices of many primary commodities produced by the sterling area. The sterling area was running a deficit with the dollar area at the rate of £600 million a year, or one and a half times the total of its gold reserves. The long-term problem was how to secure a stable relationship between the sterling and dollar areas which allowed the maximum degree of exchange of commodities while preserving to each country concerned the right to decide upon its own economic policies. The solution must however be sought on the basis of continuing full employment in each individual country. In his conversations with Mr Snyder and Mr Abbott there had been agreement that these problems could only be solved by common action.

Turning to immediate measures he said that the standstill arrange-

GREAT BRITAIN (*continued*)

ment was only a temporary expedient and it was hoped that a new programme for 1949-50 could be worked out by September. Meanwhile it had been decided to work on the assumption that Britain must reduce her dollar imports in 1949-50 to 75 per cent of the 1948 volume—that is by about £100 million. Provisional arrangements were therefore being made to reduce imports of sugar, tobacco, and certain raw materials, including timber, paper, non-ferrous metals, steel and cotton. Discussions were proceeding with the U.S. and Canadian Governments on short-term measures to improve the dollar position but there had been no suggestion of new financial aid.

Referring to the cost of production and its effects on the balance of payments, he emphasized the need for greater industrial efficiency.

Strikes. 14,289 men were idle in the London docks. The number of troops at work increased to 4,500. The holiday pay of the men involved in the stoppage was withheld.

The Transport and General Workers' Conference at Scarborough passed a resolution deploring the strike and calling on members to return to work.

Trieste. The Government delivered a Note to the Yugoslav Embassy protesting against the introduction of the dinar as the currency of Zone B in Trieste, and rejecting the Yugoslav contention that the Anglo-American administration of the 'western Zone' had violated the Italian peace treaty. The Note made clear that British policy for Trieste remained in accordance with the declaration of 20 March 1948.

Germany. The Foreign Office denied suggestions that Britain would cease to contribute towards the economic recovery of western Germany on the expiry, on 30 September, of the extended bizonal fusion agreement.

15 *July*—*E.R.P.* Mr Creech-Jones, Colonial Secretary, announced that the E.C.A. had approved a British plan to help in making a preliminary survey for the construction of a railway link between Northern Rhodesia and East Africa.

Ex-Italian Colonies. The Emir Idris El Senussi of Cyrenaica arrived in London for a short visit.

18 *July*—*Sterling Dollar Balance.* End of Commonwealth discussions and statements by Sir Stafford Cripps (*see Commonwealth Conference*).

Continuing the economic debate, Mr Eden, deputy leader of the Opposition, told the House that it was a moment of supreme crisis for the nation, but criticized the Chancellor's proposals to cut dollar imports by one quarter. The cuts would fall mainly on raw materials and machinery, which would have a serious effect on industry and employment. The long-term problem could only be solved if the U.S.A. made available by oversea investments or by other means, sufficient dollars to the countries that wanted to buy dollar goods. There must be more freedom of trade by moving away from further restrictions. Mr Bevin, winding up the debate, said that it would have been quite impossible during the post-war period to do without U.S. aid and that he did not apologize for taking it. The Marshall Plan must be carried

through to its final fruition, that of European unity and co-operation. Referring to the Commonwealth Conference, he said that if the dollar and the sterling areas could be brought together and the right co-operation produced, President Truman's fourth point could be made a living reality in helping to raise the standard of life throughout the whole of that great area. The Government had had to put forward the short-term cuts because the balances must not be allowed to run away. On the question of the Russian problem he said that the best contribution Britain could make was not to refuse to trade. He would not be a party to creating another curtain.

Mr Attlee told the House that during the temporary absence of Sir Stafford Cripps, for reasons of health, he himself would supervise work at the Treasury.

Colonies. A White Paper (H.C. 211) on the operation of the Colonial Development and Welfare Acts, 1940 and 1945, which was published, showed that schemes approved for the year ended 31 March 1949 would cost the Exchequer over £10½ million in grants and loans, bringing the total contribution over the past nine years to £63 million. Of this sum over £25½ million had already been spent. The £63 million had been divided between Africa (41½ million), West Indies (15½ million), Mediterranean and Middle East countries (nearly £3 million), and Far East (1¼ million). During this period the Colonial territories had contributed a total of £133 million in grants and loans.

Strikes. The number of strikers at the London docks rose to 15,341.

19 July—U.S. discussions on relations with Britain and Canada in the field of atomic energy, and British comment (*see United States*).

Greece. Mr Noel-Baker told a Greek Parliamentary delegation that the Greek people were fighting for the freedom of the world.

Strikes. A statement issued by the Dock Labour Board declared its respect for the dockers' sense of loyalty to one another and gave an undertaking that dock workers would never be asked to work ships concerned in any dispute which could be settled by negotiations as laid down by trade union agreement. The Canadian seamen's strike however could not be settled in Britain and the men were therefore ordered to return to work on 21 July. Failure to do so would jeopardize the future of the dock labour scheme.

The Ministry of Labour announced the names of the members of a Conciliation Board set up to try to help the Railway Executive and the railway unions to reach a solution of the wages dispute.

Mr Bevin received the Emir of Cyrenaica.

20 July—*Strikes.* A statement issued from 10 Downing Street said that the Dock Labour Board's notice had been issued without the authority of the Emergency Committee and that the Government were not contemplating any steps to bring the dock labour scheme to an end. Mr Isaacs later confirmed this point to the Commons. He said that the number of men on strike totalled 15,509. Forty-five ships were idle, four undermanned, and ninety-two being worked by service labour.

Protest against British responsibility for Italy's participation in Atlantic Pact (*see U.S.S.R.*).

GREAT BRITAIN (*continued*)

Greece. Lord Henderson, Under-Secretary Foreign Office, told the Lords in answer to a question that it was not possible for Britain to increase the substantial military aid that she was affording to Greece.

Colonies. Mr Creech-Jones told the House that in view of an acceleration in the colonial works programmes it might be necessary to review the terms of the Colonial Development and Welfare Act, 1945, sooner than had been expected. The funds voted were likely to be exhausted within a limited time. Mr Rees-Williams, Under-Secretary for the Colonies, said that the cold war and increasing political consciousness had increased the importance of internal security arrangements. These had been examined in practically every colony. A police adviser and the necessary staff had been appointed and were visiting the colonies to see how security arrangements could be tightened up.

GREECE. 9 *July*—A military court at Larissa sentenced to death thirty rebel leaders on charges of conspiring against the State. Two others received sentences of life imprisonment and fifteen years.

10 *July*—It was announced that the Kaimaktchalan range in Central Macedonia had been cleared of rebels after a week of battle. The surviving Communists, estimated at about 700, had been seen retreating into Yugoslavia.

Marshal Tito on closing of Yugoslav frontier (*see Yugoslavia*).

15 *July*—A rebel broadcast accused the Yugoslav leaders of betraying the Greek 'democratic' cause for U.S. dollars, and declared that there was a training centre at Skoplje (Serbia) which sent counter-revolutionaries over the frontier to 'spread despondency in our ranks'.

16 *July*—U.N. observers were sent to investigate the massacre of thirteen Pomaks (Muslim residents in Northern Greece) between Xanthi and the Bulgarian frontier. The victims included six children and five women. According to the General Staff they had been killed by assailants from Bulgaria in reprisal for the death of a Greek Communist saboteur in the neighbourhood.

GUATEMALA. 18 *July*—Col. Arana, Chief of the Armed Forces, was assassinated and a revolt was started against the Government.

19 *July*—A Government broadcast said that the revolt had been instigated by 'a few bad militarists' and declared that the Defence Minister, Señor Arbenz, was at his post to 'punish . . . the traitors'. The situation in the capital was being dominated and the public could be assured that normal conditions would 'reign very soon throughout the country'. A Government spokesman stated that the air force, the garrison of Fort Matamoros, the military school, and the capital police force had remained loyal. Unofficial reports said that the rebels were led by Col. Ilivarez, Commander of Fort Guardia de Honor.

Government troops later occupied Fort Guardia de Honor.

20 *July*—Calm was reported in the capital. It was learned that forty persons had been killed and many wounded in the fighting round the National Palace.

HUNGARY. 9 *July*—The National Council of the People's Courts dismissed Cardinal Mindszenty's appeal against the sentence of life imprisonment.

INDIA. 8 *July*—Finance Minister on dollar crisis (*see Great Britain*).

11 *July*—It was learned that the Government had protested to the South African Government against their new Asiatic Land Tenure Amendment Act.

It was learned that an air transport agreement had been signed with Australia.

12 *July*—The Home Ministry announced that the ban on the Rashtriya Swayam Sewak Sangh, imposed in February 1948 after the assassination of Ghandi, had been lifted following an undertaking by Mr Golwalkar, leader of the organization, that it would respect the Constitution. All R.S.S. prisoners would be released.

Pandit Nehru, Prime Minister, arrived in Calcutta. There were a few anti-Government demonstrations.

14 *July*—Pandit Nehru addressed a mass meeting in Calcutta. Just before he began a bomb was thrown into the crowd, killing one policeman and injuring four others. Several other bomb explosions occurred in various parts of Calcutta during the day.

18 *July*—Pandit Nehru visited Lucknow. Shortly after his arrival a bomb was found on the runway of the airport.

INDO-CHINA. 13 *July*—Viet-Minh guerrillas fired mortar bombs into a crowd at Hue, which was celebrating the arrival of the Emperor Bao Dai.

20 *July*—Signature of treaty granting independence to Laos (*see France*).

INDONESIA. 10 *July*—Mr Sjafruddin, head of the Republican Emergency Government in Sumatra, arrived in Jogjakarta and returned his mandate to President Soekarno.

17 *July*—Dr van Royen, chairman of the Dutch delegation, left Batavia for Jogjakarta to visit the Republican leaders on the invitation of President Soekarno.

20 *July*—A conference opened in Jogjakarta between Republican and Federalist delegations to discuss the formation of a United States of Indonesia and the measures to be taken for the transfer of sovereignty by the Netherlands.

INTERNATIONAL COMMITTEE FOR THE STUDY OF EUROPEAN QUESTIONS. 17 *July*—The committee published a letter drafted in co-operation with the Red Cross, the German Social Democratic Party, and the German Christian Democratic Party, stating that there were still over two million German prisoners in the U.S.S.R. and giving details of three concentration camps in the eastern Zone of Germany. It also declared that a number of German prisoners had been given military training in the U.S.S.R. and later incorporated into

INTERNATIONAL COMMITTEE FOR THE STUDY OF EUROPEAN QUESTIONS (*cont.*) 'police formations' in the Soviet Zone of Germany. The letter called for a commission of inquiry, composed of members of the various German parties and representatives of the United Nations, to inquire into the whole matter.

INTERNATIONAL DOCKWORKERS' AND SEAMEN'S CONFERENCE. 18 *July*—A four-day conference, organized under the auspices of the W.F.T.U., ended in Marseilles, which had been chosen as the permanent seat of the organization. One of the decisions taken by the conference was to give 'immediate and effective' support to the Canadian seamen and the London dockers.

INTERNATIONAL LIBERAL CONFERENCE. 9 *July*—A five-day congress of the World Union of Liberals opened at Deauville under the chairmanship of Señor de Maderiaga.

INTERNATIONAL WHEAT COUNCIL. 7 *July*—The Council selected London as its permanent headquarters.

IRAQ. 10 *July*—Regent in London (*see Great Britain*).

ITALY. 9 *July*—The Liberal Party opened its annual congress in Rome.

12 *July*—*Strikes*. Dockers at Genoa, declaring their solidarity with British dockers and men of the Canadian Seamen's Union, refused to unload a Canadian ship.

13 *July*—*Council of Europe*. The Chamber passed by 271 votes to 8, with 2 abstentions, the Bill authorizing approval of the Statute.

15 *July*—Mr Snyder, U.S. Secretary of the Treasury, arrived in Rome from Geneva. He met Count Sforza, the Foreign Minister, and later Signor de Gasperi, the Prime Minister, and the Ministers of the Treasury and of Finance.

17 *July*—Speaking at a Communist meeting in Rome Signor Natoli, Secretary of the Rome Communist Federation, derided the Vatican's excommunication order and described the Holy Office as 'a worn out and decrepit organ'. Signor Togliatti made a speech comparing the advent of the Church 2,000 years ago with the current rise of Communism. The Church should 'understand the signs of the times' and cease to mobilize its mediaeval phantoms which no one believed in any longer.

18 *July*—Mr Snyder left Rome for Ankara.

20 *July*—*Atlantic Pact*. Soviet protest (*see U.S.S.R.*).

Count Sforza told the Chamber during the debate on the ratification of the pact that the Soviet Note was almost identical with one received during the meeting at which the Atlantic Pact had been signed. On 2 April a reply had been sent defining the scope of the pact which was 'in the spirit of the U.N. Charter'. It was incomprehensible why Italy alone had now received a second copy of the earlier Note. He urged the Chamber to ratify the pact, declaring that without its

guarantee Italy would be a no-man's-land open to any attacks. He also said that during the recent conversations with Mr Snyder, Mr Truman's Fourth Point was raised in connexion with the depressed areas in Southern Italy. A 'triangular plan' had also been discussed whereby U.S. industrial aid would be given to certain Latin-American Republics for their economic development, in which first companies with a half-Italian interest and then Italian emigrés would play a part. A Communist motion calling for rejection of the pact was defeated by 308 votes to 159, with 13 abstentions.

JAPAN. 13 *July*—Soviet charges before the Far Eastern Commission of police brutality in enforcing the labour laws (*see United States*).

15 *July*—Gen. MacArthur said in a statement to the press that the Soviet charges were so fantastically untrue that they hardly merited denial. They arose from the frustration of the Soviet plot to absorb Japan into the orbit of Soviet influence. U.S. policy in Japan was entirely benevolent.

16 *July*—Mr Yoshida, Prime Minister, gave warning in a statement against future Communist provocation, but declared at the same time that the Communists were only a small minority and no match for the predominantly conservative people of Japan. After expressing disapproval of press reports of the prevalent labour unrest he refuted foreign reports that there was a strong body of extreme right-wing opinion in the country, declaring that those of the extreme right were 'only a memory'.

KASHMIR. 18 *July*—Military representatives of India and Pakistan held their first joint meeting, at the invitation of the U.N. Commission, with the U.N. truce sub-committee at Karachi in an effort to establish a cease-fire line.

KOREA. 7 *July*—It was learned that the Ministry of National Defence had announced in Seoul that some of the North Korean armies were commanded by Soviet officers and that Soviet troops had been taking part in the fighting in the Ongjim area.

8 *July*—A broadcast from Pyongyang, North Korea, announced that elections would be held in September for an independent and unified legislature and Government for all Korea. An appeal was made for the immediate withdrawal of the U.N. Commission. It was announced that the leaders of the Republican Government in Seoul would be regarded as national traitors.

11 *July*—Appeal for assurance of U.S. military aid (*see United States*).

12 *July*—*Pacific Union*. Dr Rhee, President of the Republic in South Korea, invited Gen. Chiang Kai-shek and President Quirino to visit Seoul to discuss their plan for a Pacific Union.

LEBANON. 8 *July*—It was learned that Antoun Saadeh, founder of the National Syrian Party, had been executed after a secret trial.

LEBANON (*continued*)

16 *July*—A military court at Beirut tried sixty-eight adherents of the National Syrian Party charged with causing disorder in an attempt to overthrow the Government. Twelve were sentenced to death, and fifty-three to terms of imprisonment varying from life to three years. It was learned that over 800 other adherents were in prison.

18 *July*—The Government closed the offices of the *Phalanges Libanaises* (*Katayeb*). Thirteen arrests were made and arms were confiscated.

LIBYA. 12 *July*—Closing of Cyrenaica frontier (*see Egypt*).

15 *July*—Emir of Cyrenaica in London (*see Great Britain*).

MALAYA. 9 *July*—Six bandits attacked two detectives in a shop on the outskirts of Kuala Lumpur. Members of the police arrived and put the bandits to flight.

Two large bandit camps were found in the Kuala Pilah area of Negri Sembilan and two others in the Jelebu district.

It was announced that licences for imports from American dollar areas would be temporarily suspended owing to the sterling-dollar difficulties.

11 *July*—It was announced that the security forces had recovered large quantities of arms and ammunition from bandit camps and dumps since May 1948.

12 *July*—Eight members of a Malayan police party were killed in action against bandits near Rawang, in Selangor. Two Sakais (aboriginals) were killed, three wounded, and eight abducted in Chinese bandit attacks on their encampments in the Kampar and Tepah areas of Perak.

13 *July*—In an avenging raid on a Chinese village near Kampar, Sakais killed fourteen Chinese and wounded thirteen others. The police later arrested twenty-three Sakais.

15 *July*—The R.A.F. completed a series of attacks on the jungle area in upper Perak.

Mr O'Connell, Acting Commissioner of Police, told a press conference in Kuala Lumpur that there was no evidence to show that the bandits were receiving any help from outside countries.

19 *July*—Two members of the Kajang gang were killed and one was captured in an engagement fourteen miles south of Kuala Lumpur. Air attacks were made on bandit areas near Batu Arang, in Selangor, and in west Johore.

NETHERLANDS. 13 *July*—*E.R.P.* It was announced that \$91 million had been released from Marshall Plan counterpart funds for four projects: (1) Land reclamation in the Zuyder Zee, \$11 million; (2) Redistribution of farmland on Walcheren Island, \$4 million; (3) Housing for industrial workers, about \$70 million; (4) Development of agricultural resources, about \$6 million.

15 *July*—*Western Union*. Field-Marshal Montgomery, chairman of

the Commanders-in-Chief Committee, said in a speech at the Hague, that the western nations were at war with Communism. The struggle must be prevented from turning into a shooting war through the combined strength and determination of the western Powers. But effective co-operation was impossible unless each nation was prepared to give up a little of its sovereignty and to adopt a more international outlook. Political and military unification could not be achieved without economic strength and organization. It was untrue that Britain hoped to gain greater immunity through the common defence of western Europe. British forces would pull their full weight on the mainland should an aggressor from the east again attempt an invasion. He himself was British by accident of birth, but he was now an international soldier and was as much concerned in the defence of the Netherlands as of Britain.

20 July—Dr Stikker, Foreign Minister, presented a Note to the Second Chamber claiming that trade with Germany was being hampered by the occupation authorities, and complaining of discrimination against Dutch ships in German inland traffic. Allied reorganization of industry in the Ruhr was also affecting Dutch interests. While the Government agreed with the purpose of the measures taken, they could not agree that the Netherlands' share in the industries concerned should be reduced. A memorandum on this subject had recently been sent to the British and U.S. Governments.

NEW ZEALAND. 12 July—Statement by Mr Nash in London on sterling dollar balance (*see Great Britain*).

PAKISTAN. 10 July—It was announced that the Governor-General had accepted the resignation of Sir Francis Mudie, Governor of the West Punjab.

18 July—Delegation at Kabul to investigate frontier incident (*see Afghanistan*).

20 July—The Government announced the appointment of Sardar Abdur Rab Nishtar as Governor of West Punjab.

PALESTINE. 7 July—It was announced that the Government's scheme for the return of dependent refugees would apply, for the present, only to wives and children. The cases of other dependents would have to be studied on their individual merits.

8 July—One Israeli soldier was reported killed when firing broke out across the no-mans-land in Jerusalem.

17 July—Brigadier Dori, the Army Chief-of-Staff, speaking in Tel Aviv on the occasion of Army Day, called for an increase in the strength of the Army and said that reorganization and improvements were necessary.

The Arab Legion completed a series of withdrawals from areas in northern and central Palestine in accordance with the terms of the Israeli-Transjordan armistice agreement. This completed the adjust-

PALESTINE (*continued*)

ments of frontier lines agreed upon by Israel, Transjordan, Egypt, and the Lebanon.

18 *July*—Nearly 1,000 unemployed immigrants demonstrated outside Government offices in Tel Aviv.

19 *July*—About 4,000 workers observed an unofficial twenty-four-hour strike in protest against a cut in the cost of living allowances.

20 *July*—An armistice was signed between Israel and Syria in the presence of the U.N. Chief of Staff, Gen. Riley. Its terms, which were based on proposals submitted by Dr Bunche, provided that all Syrian troops west of the international frontier should be withdrawn within twelve weeks. Where the armistice demarcation line did not correspond with the international boundary the area between was to be demilitarized and placed under Israeli civil administration with only locally recruited police. Unrestricted civil life would be resumed in this area, thus permitting the return of Jewish and Arab settlers. The agreement would be supervised by a mixed commission under U.N. chairmanship.

Thirty-three Arab Communists were arrested in a series of raids in and around Gaza.

PERSIA. 10 *July*—The Shah emphasized in a speech to Parliament the necessity of constitutional and social reforms.

PHILIPPINES. 10 *July*—*Pacific Union*. Gen. Chiang Kai-shek arrived at Baguio from Formosa for discussions with President Quirino.

11 *July*—*Pacific Union*. At the end of their two-day meeting President Quirino and Gen. Chiang issued a joint statement announcing that they had agreed on the necessity of organizing a union of the Far Eastern countries for the purpose of achieving solidarity and mutual assistance against the common threat of Communism. A preliminary conference of these countries would be convened as soon as possible to devise appropriate measures to that end.

President Quirino said later that the main point of the proposal was economic collaboration. He also said that no secret military pact had been made with Gen. Chiang.

POLAND. 11 *July*—A. Doboszynski was sentenced to death by a military tribunal on charges of spying for Nazi Germany, Britain, and the U.S.A.

PORTUGAL. 12 *July*—Fifteen persons were sentenced to imprisonment for spreading Communist propaganda against the State in the Azores and Maderia. Twelve others were acquitted.

15 *July*—800 troops left Lisbon to replace and reinforce the forces at Macao. Their mission was to 'maintain Portuguese neutrality' in the Chinese civil war.

RUMANIA. 19 *July*—A decree was issued by the Defence Ministry tightening the control of all air traffic.

20 July—Five men accused of belonging to an underground terrorist organization were executed.

SOUTH AFRICA. 12 July—Gen. Smuts, speaking in Capetown, attacked the Citizenship Act and promised to repeal it immediately he returned to power. He also said that developments in the Far East called for the utmost unity in the west and declared that South Africa must remain solid with the west.

13 July—*South West Africa*. It was learned that the Government had informed the United Nations that in the interests of efficiency it would submit no further reports on the administration of South West Africa. Information would continue to be available to the general public. The Government reaffirmed that they did not intend to absorb the territory, and that they would continue to administer it in the spirit of the mandate.

16 July—It was learned that a new party had been formed—the Natal Indian Union Nationalists—based on the principle that South African Indians owed their allegiance only to South Africa.

SPAIN. 8 July—Credit agreement with French bank (*see France*).

11 July—Proposed U.S. loan (*see United States*).

14 July—President Truman on proposed loan (*see United States*).

18 July—Two large bombs exploded in central squares in Barcelona, killing one man and wounding nine other persons. The police found five more bombs in different parts of the city.

SWEDEN. 12 July—Mr Snyder, Secretary of the U.S. Treasury, arrived in Stockholm.

13 July—Mr Hahn, Finance Minister, received Mr Snyder.

16 July—Gen. Helge Jung, Commander-in-Chief of the Armed Forces, said in a speech at Lycksele in northern Sweden, that it would be difficult for the country to remain neutral in any future war. Swedish defence must therefore be strong and the people united against any aggressor. But there was a 'small but far from harmless group of Swedes' who had sworn allegiance to a foreign Power and would constitute a grave danger in the event of war. Effective measures must be taken in time against this Fifth Column.

19 July—Trade agreement with eastern Germany (*see Germany*).

SYRIA. 10 July—Request for Turkish army instructors (*see Turkey*).

20 July—Armistice signed with Israel (*see Palestine*).

TRIESTE. 10 July—Marshal Tito on Yugoslav claims (*see Yugoslavia*).

A British soldier was killed by a Yugoslav frontier patrol near Gropada, on the Morgan Line.

14 July—British and U.S. protests to Yugoslavia against the introduction of the dinar into Zone B (*see Great Britain and United States*).

TURKEY. 10 July—Mr Sadak, Foreign Minister, announced that the

TURKEY (*continued*)

Syrian Government had asked Turkey to provide instructors for the reorganization of the Syrian army, and that Gen. Orbay, a former chief of the General Staff, would shortly go to Syria for the purpose.

18 *July*—Mr Snyder, Secretary of the U.S. Treasury, arrived in Ankara from Rome.

20 *July*—Mr Snyder left Ankara for Cairo, having had interviews with President İnönü, the Prime Minister, and the Minister of Finance.

UNITED NATIONS

ARMAMENTS COMMISSION

7 *July*—Sir Terence Shone announced the British Government's acceptance of the French plan of 26 May. If this plan were generally accepted Britain would urge further that complete orders of battle be made available to the control organ. The Soviet and Ukrainian refusal to discuss the French plan, on the grounds that measures for reduction of armaments must precede the collection and checking of information, was a smoke screen.

ATOMIC ENERGY COMMISSION

20 *July*—A U.S. resolution was tabled calling on the Commission to suspend discussions until the Great Powers had decided, in conformity with the General Assembly's resolution, whether there was a basis of agreement for an effective system of international control. The motion declared that the U.S.S.R. still rejected the control plan of the majority, insisting on two separate conventions for prohibition and control. Mr Tarassenko (Ukraine) accused the U.S.A. of aiming at liquidating the Commission, and said that the U.S. treatment of British requests in connection with the production of the atomic bomb was characteristic of the U.S. intention to impose its will on 'dependent' States.

BALKANS COMMISSION

7 *July*.—Observers investigating Yugoslav allegations of Greek violations of the frontier were told in an interview with Yugoslav officers that strict orders had been received to close the frontiers. The order also applied to the Greek rebels. The observers later saw Greek aircraft firing at a rebel stronghold on the Greek side of the frontier. The planes crossed the frontier several times and rockets fell in Yugoslavia.

ECONOMIC AND SOCIAL COUNCIL

9 *July*—An inquiry was begun into the activities of the Economic Commission for Europe whose activities had greatly increased. Mr McNeil (Britain) emphasized the need for economy.

ECONOMIC COMMISSION FOR ASIA AND THE FAR EAST

15 *July*—An economic survey issued by the Commission laid stress on the factors of high internal prices and the acute dollar shortage. During the past year Japan had achieved the greatest comparative

strength in production but this was only 32 per cent of the war-time peak. It seemed likely that Japan would not regain her former domination. India, for instance, was now the greatest exporter of cotton textiles. If Japan was to survive economically her export trade must be large enough to pay for the food and raw materials that had previously come from her overseas empire. The survey foresaw that with the decline in colonialism, Asia was entering into an age of independent economic development.

INTERNATIONAL REFUGEE ORGANIZATION

7 July—The Council decided that the care and maintenance of refugees and displaced persons was to cease by 30 June 1950 except for those in process of resettlement. An appeal was to be sent to all Governments to do all they could to extend their refugee immigration programmes.

SECRETARIAT

8 July—*Arab Refugees*. It was announced that an emergency appeal had been sent to member States for immediate contributions to the Arab relief fund.

SECURITY COUNCIL

20 July—*Membership*. Renewed consideration of the twelve outstanding applications for U.N. membership ended in deadlock.

TRUSTEESHIP COUNCIL

8 July—The U.S. delegate submitted a report on the administration of the Pacific islands taken over from Japan at the end of the war.

15 July—*Tanganyika*. A Mexican resolution was adopted by 11 votes, with one abstention (U.S.S.R.) 'taking note of the mission's conclusions and of the British observations thereon and inviting the administering authorities to give careful consideration to the conclusions and to the comments on them by the council'.

UNITED STATES. 7 July—*E.R.P.* Mr Hoffman, the E.C.A. administrator, issued a statement approving the new intra-European payments scheme. He later indicated to a press conference that he was not convinced that devaluation of the pound would solve Britain's difficulties. He agreed with Sir Stafford Cripps that the solution was to expand dollar-earning exports.

8 July—Mr Snyder in London (*see Great Britain*).

Military Assistance. It was revealed that Mr Johnson, Secretary of Defence, when testifying before the Senate Appropriations Committee, had advocated a five-year programme of military aid to the nations of western Europe. The U.S.A. should not begin to expand her own military programme until her partners in the Atlantic pact were ready to make a substantial contribution to common defence. Admiral Denfield, Chief of the Naval Staff, had urged an immediate expansion of the U.S. armed forces.

UNITED STATES (*continued*)

9 July—A joint Congressional report, which was issued, showed that in spite of the large number of unemployed the total of employed persons was over 59 million, the highest figure of any year except 1948.

10 July—U.S.-British-Canadian statement on sterling-dollar balance (*see Great Britain*). Mr Snyder in Brussels (*see Belgium*).

11 July—Korea. Mr Acheson, Secretary of State for Foreign Affairs, received a message from Dr Rhee, President of the Republic in South Korea, asking for an assurance of U.S. assistance in case of foreign aggression or of foreign inspired domestic unrest. The message outlined Dr Rhee's proposals for a South Korean military force of 400,000.

Economic Report. President Truman, in his mid-year report to Congress, said that post-war inflationary conditions were abating. The national economy showed a great measure of stability but the position would have been stronger if his recommendations had been carried out and adequate steps taken to control the inflation between 1945 and 1949. The dangers latent in inflation were now being revealed. The 1949 decline had been 'moderate', showing increased unemployment and a drop in production. The remedy lay in progress and expansion, not in restriction. The decline in business activity was reducing imports, a factor which endangered the economic recovery of foreign countries and would eventually have serious effects on the nation's foreign trade. Protectionist measures should therefore not be considered. The efforts to rebuild a strong world economy, based on an effective network of world trade, must be continued. The foreign assistance programmes must be maintained and measures taken to expand technical and capital assistance to the under-developed areas. In summary he recommended that during the current session Congress should: (1) Repeal the tax on the transportation of goods, liberalize the provisions for the carry-over of losses by corporations and increase estate and gift taxes. No major increase in taxes should be undertaken; (2) Extend the maximum time-limit fixed by law for the maturity of loans to business made by the Reconstruction Finance Corporation; (3) Provide for a broad study of investment and development needs and market opportunities in an expanding economy; (4) Adopt an improved programme of income supports; (5) Increase the minimum wage to at least 75 cents an hour and broaden its coverage; (6) Strengthen the unemployment compensation system by increasing the amount and duration of benefits and extending their coverage; (7) Extend until 25 July 1950 the availability and readjustment of allowances for ex-Service men not protected by State unemployment compensation laws; (8) Increase the benefits and extend the coverage under the old age and survivors' insurance system and improve the Public Assistance Programme; (9) Enact legislation to permit federal agencies, and assist States and localities, to intensify their advance planning and acquire sites for useful projects; (10) Enact legislation to provide technical assistance to undeveloped areas abroad and encourage investment in such areas; (11) Restore the Reciprocal Trade Agreements Act.

An accompanying report by the Council of Economic Advisers

emphasized the hopeful aspects of the situation in spite of the obvious problems and uncertainties inherent in the decline. The real need was for production and consumption to continue to rise sufficiently to absorb the growing labour force.

E.R.P. The Senate Appropriations Committee approved a total of \$3,628,380,000 for Marshall Aid in the current fiscal year, including \$50 million for a loan to Spain at the discretion of the E.C.A. A total of \$5,473,380,000 was approved for the entire foreign aid programme.

Atlantic Pact. Senator Taft told the Senate that he would vote against the pact since it carried with it an obligation to help in arming western Europe at U.S. expense. The arms plan was more likely to promote war than peace and was contrary to the spirit of the U.N. Charter. The treaty committed the U.S.A. to defend the frontiers of all the signatories, which was clearly impossible. He would however vote for it if a reservation were adopted denying any legal or moral obligation to provide arms. Senator Vandenberg reaffirmed the independence of the two issues and said that the arms plan would be necessary even if there were no treaty.

Mr Kennan in Britain (*see Great Britain*).

12 July—*Atlantic Pact.* Senator Malone attacked the pact before the Senate on the ground that it would help to perpetuate the 'feudal colonialism' of the European signatories. Senator Dulles said that ratification was an essential step in blocking the Soviet offensive.

Mr Snyder in Stockholm (*see Sweden*).

E.R.P. Mr Hoffman announced the appointment of Mr Kenney as chief of the E.C.A. mission to Britain in succession to Mr Finletter.

13 July—*E.R.P.* The Senate Appropriations Committee explained, in a report to the Senate, that it had recommended a reduction in E.C.A. appropriations below the amount requested by the Administration, in view of the economic and financial situation at home. It felt that the 'European nations which are recipients of our bounty should take greater pains to solve the twin problems of trade barriers and currency exchange' and that they should also increase their production and their labour productivity. An amendment stipulated that the amount required to finance the procurement of surplus agricultural products should be available only for such financing.

Economic Position. President Truman said in a broadcast that in spite of decreased production and a rise in unemployment the nation was not faced by a depression. Attempts to slash Government expenditure would cause more unemployment. The international programmes would cost about \$7,000 million in the current year; but they could not be cut without a risk to peace. He appealed for an increase of business activity and investment, maintenance of the high level of farm production, development of natural resources, and an expansion of the social programmes.

Atlantic Pact. Senator Wherry proposed that ratification should be subject to a declaration that the U.S.A. construed the provisions of the treaty as in no way committing any signatory to supplying arms to any other signatory prior to action taken under Article 5. Senator Connally

UNITED STATES (*continued*)

said that such a declaration was unacceptable and reaffirmed that no Senator voting for the pact would be obliged to vote for the arms programme.

Far Eastern Commission. The Soviet Ambassador, Mr Panyushkin, in a statement to the Commission, charged the Japanese police with 'brutally' enforcing the revised labour laws.

14 *July—Spain.* President Truman told a press conference that he would not approve the loan to Spain as recommended by the Senate Appropriations Committee. The Government were not in friendly relations with Spain, and in any case, the question was one for the European nations to decide.

Trieste. The State Department issued a Note to the Yugoslav Embassy protesting against the use of the dinar as the currency of Zone B of Trieste.

Atlantic Pact. Senator Taft and Senator Flanders submitted a resolution to the Senate urging the President to consider extending the Monroe doctrine to western Europe as an alternative to the North Atlantic Pact.

Atomic Energy. President Truman held a secret conference at Blair House, attended by members of the Cabinet, military and Congressional leaders, and members of the Atomic Energy Commission and of the joint Congressional Atomic Energy Committee. These included Senator Barkley, Mr Acheson, Mr Johnson, Gen. Eisenhower, and Mr Lilienthal.

15 *July*—President Truman signed the Public Housing Bill.

Mr Snyder in Rome (*see Italy*).

Defence. The Senate Appropriations Committee voted a reduction of \$1,010 million in the \$15,900 million Armed Forces Appropriation Bill passed by the House for the current fiscal year. The biggest economy, \$799 million, was to be made in the Air Force.

Mr Johnson, accompanied by high officials of the armed forces, left Washington for White Sulphur Springs, West Virginia, to confer with military leaders who had been meeting there since 11 July.

18 *July*—Mr Snyder in Ankara (*see Turkey*).

Defence. The President submitted to Congress a reorganization plan designed to unify the Armed Forces. The plan provided for the conversion of the national military establishment into a Department of Defence under which the Army, Navy, and Air Force would be executive departments, administered by their respective Secretaries. The plan would also create the posts of Deputy Secretary of Defence, three Assistant Secretaries, and Chairman of Joint Chiefs-of-Staff. The Secretary of Defence would continue to sit on the National Security Board but the Secretaries of the three forces would no longer do so.

19 *July—Foreign Policy.* President Truman, addressing a meeting of the Shriners in Chicago, said that U.S. foreign policy was based on an enlightened public opinion. Its formation was necessarily slow but once a democratic decision was made, representing the collective will of the nation, it could be depended on to endure. It was only in the

totalitarian States, where all decisions were made by a few men at the top, that foreign policies could change abruptly without warning. But although the two systems were so opposed he did not think that war was inevitable, because he believed in the superior attraction of the democratic principles, which even now were winning allegiance throughout the world. Discussing various aspects of world leadership he emphasized the interdependence of domestic and foreign policies. It was essential to maintain a strong and stable economy as the basis of the nation's well-being and as the primary source of strength of the free world. They must also help to maintain the economic health and democratic ideals in other countries if they were themselves to remain strong and prosperous. It would be disastrous to change policy by reducing appropriations for European recovery. Such a course would only profit the Communists and would lose for the nation the understanding and support of the democratic peoples. Mankind was seeking a world order capable of maintaining world peace. Such an organization must, in the long run, be based on voluntary agreement between its members. It was therefore essential to continue to support and improve the United Nations.

Atomic Energy. Senator McMahon, chairman of the joint Congressional Atomic Energy Committee, said in a statement that it had been decided at the meeting on 14 July that the committee should meet shortly in closed session 'to explore with the Department of State, the National Military Establishment, and the Atomic Energy Commission, the continuing problem of our relations with the United Kingdom and Canada in the field of atomic energy'.

A spokesman of the British Embassy reaffirmed that the British Government had made no formal request either for atomic information or for a larger proportion of the uranium supplies from the Belgian Congo. He indicated, however, that there might have been occasional informal requests when particular problems were encountered. Britain had already announced that she intended making the atomic bomb and though completion of the task might be hastened by more U.S. information, she had enough technical information of her own to carry the project through.

20 July—*Atomic Energy.* A meeting was held in secret between Mr Acheson, Mr Johnson, members of the Atomic Energy Commission, Congressional leaders, and members of the Joint Congressional Atomic Energy Commission.

Atlantic Pact. Protest against U.S. responsibility for Italy's participation in Atlantic Pact (see *U.S.S.R.*). Mr Acheson told a press conference that the protest was 'utterly without foundation'. The contribution that Italy would make to the pact were within the arms limits laid down by the peace treaty.

Czechoslovakia. Mr Acheson accused Czechoslovakia of violating the U.N. Charter by her attacks on religious organizations.

Pacific Union. Mr Acheson praised the efforts of Far Eastern countries to work towards a Pacific Defence Union.

Mr Snyder in Cairo (see *Egypt*).

U.S.S.R. 16 *July*—*Tass* announced that Mr Voznesensky, Minister of Education, had been replaced by Mr Ivan Kairov.

18 *July*—Czechoslovak Ministers invited to spend holiday in Caucasus (*see Czechoslovakia*).

Mr Stalin received Sir David Kelly, the new British Ambassador, in the presence of Mr Vyshinsky, Foreign Minister.

20 *July*—*Atlantic Pact*. Moscow radio announced that a Note had been sent to Italy protesting that by adhering to the Atlantic Pact and by seeking military assistance from the U.S.A. (*see p. 260*) she had violated the peace treaty. Notes had also been sent to Britain, the U.S.A., and France accusing them of causing Italy to violate the terms of the peace treaty.

VATICAN. 13 *July*—A decree of the Congregation of the Holy Office was published in the *Acta Apostolicae Sedis*. It said that the following questions had been submitted to the Supreme Holy Congregation: '(1) Whether it is permissible to be an inscribed member of Communist Parties or to give them support? (2) Whether it is permissible to publish, spread, or read books, periodicals, papers, or pamphlets which preach the doctrine or the activity of Communism, and to write in them? (3) Whether the faithful who consciously and freely have committed the acts mentioned in numbers one and two may be admitted to the sacraments? (4) Whether the faithful, who profess to the materialist and anti-Christian doctrine of Communism, and in particular those who spread and propagate it, incur, *ipso facto*, as apostates of the Catholic faith, the excommunication reserved in a special manner to the Holy Apostolic See?'

The decree continued that the Cardinals, sitting in plenary Congregation on 28 June 1949, had decided to answer thus: 'To the first question, in the negative. Communism, in fact, is materialist and anti-Christian. The Communist leaders, even if sometimes they proclaim that they are not opposed to religion, in reality, either by their doctrine or their activity, demonstrate their hostility to God and to true religion and to the Church of Christ. To the second question, in the negative. The prohibition is in fact contained in the canon law itself (*Cf* canon 1399 of the canon law). To the third question negatively. This is in accordance with the ordinary rules which deny the sacrament to those who have not the necessary dispositions therefor. To the fourth question, affirmatively.' The announcement said that on the 30 June the Holy Father had approved these decisions.

WESTERN UNION. 15 *July*—*Defence*. The Defence Ministers of the Brussels Treaty Powers met in Luxembourg in the presence of U.S. and Canadian observers. A statement issued afterwards said that they 'examined the results of the work done by the defence organizations of the five Powers since their last meeting in The Hague in April. They considered in particular the supplementary armaments production efforts to be made by the countries of the Western Union, the principles of which were laid down by the Consultative Council, in

agreement with the Ministers of Defence and of Finance in March, 1949. They approved the programmes submitted to them. These programmes represent the best possible combination of the production possibilities of the five Powers as a whole and of the military priorities. They approved the concerted plan for the defence efforts of the five Powers and set in hand measures to increase effectiveness of existing forces.'

M. Ramadier, French Defence Minister, said that the five Powers had agreed unanimously to defend their territory as far as possible from their own frontiers.

Field-Marshal Montgomery's speech (*see Netherlands*).

WEST INDIES. 15 *July*—It was announced that the 1945 ten-year development plan for the Leeward Islands was to be revised.

WORLD COUNCIL OF CHURCHES. 9 *July*—The Central committee of the Council began a conference at Chichester.

13 *July*—A resolution was passed taking note of the grave situation created in Germany by the presence of 12 million refugees, and urging that dismantling policy should be handled so as to provide them with a reasonable opportunity of work.

14 *July*—The conference ended.

WORLD FEDERATION OF TRADE UNIONS. 8 *July*—The general council re-elected M. Saillant as secretary-general. In the elections for the new executive committee seats were left vacant for Britain, the U.S.A., Canada, and Australia.

10 *July*—The congress ended after approving, with the Israeli delegation abstaining, a manifesto attacking the British T.U.C. and the American C.I.O. and accusing the 'imperialists' of preparing for a new war. The congress also approved an address to the workers and trade unionists of those countries whose representatives had withdrawn from the Federation.

YUGOSLAVIA. 7 *July*—Mr Piade, a member of the Politbureau, speaking at Novi Sad accused the Soviet leaders of reverting to Tsarist methods in their foreign policy. By resisting the 'howling dervishes' of the Cominform Yugoslavia had saved her independence, as in the past she had had to resist attempts at control by Russia. But this did not mean that she had become a western colony. The Bolshevik party must return to the road of 'true internationalism'.

Orders to close Greek frontier, and frontier incident (*see U.N. Balkans Commission*).

10 *July*—Marshal Tito refuted in a speech at Pola Greek rebel accusations that Yugoslavia was making pacts with the Greek Government, and said that their object was to place responsibility for a possible Greek rebel defeat on Yugoslavia. In view of this slander and of the frequent 'monarcho-Fascist provocations' on the frontier the Government had decided to close the Greek frontier completely. He appealed

YUGOSLAVIA (*continued*)

to Britain and the U.S.A. to support Yugoslav demands to the United Nations to restrain the Greek Government from provoking frontier incidents. He declared that the Free Territory of Trieste was not Italian and that Yugoslavia must be consulted about the problem. Turning to Austria he reaffirmed that the Yugoslavs would never reject their claims on Southern Carinthia, though they would remain 'disciplined' where the peace was concerned. Referring to the recent request for a \$250 million loan from the International Bank he said that the money was wanted to buy machinery, not armaments. But it could only be accepted under the same conditions applying to the establishment of economic relations with the west—that is 'without any political concessions'. In spite of Cominform economic pressure the first half of the five-year plan had been fulfilled except in the electrical industry which had been denied equipment by the Cominform countries.

It was learned that Josef Kragelj, a Catholic priest, had been sentenced to death for hostile activity against the régime and for collaboration with the Germans during the war.

14 July—British and U.S. protests against introduction of dinar into Zone B of Trieste (*see Great Britain and United States*).

15 July—Greek rebel accusations of Yugoslav treachery (*see Greece*).

FORTHCOMING EVENTS

- Aug. 1 Round-table conference on Indonesia, The Hague.
- " 8 Council of Europe, first meeting of Committee of Ministers, Strasbourg.
- " 10 Council of Europe, first meeting of Consultative Assembly, Strasbourg.
- " 14 General elections, Western Germany.
- " 17 U.N. Scientific Conference on the Conservation and Utilization of Resources, Lake Success.
- Sept. 8 Unofficial Conference of British Commonwealth Relations, Bigwin Inn, Muskoka, Ontario.
- " 15 Conference of the Inter-Parliamentary Union, Stockholm.
- " 15 Elections under sponsorship of North Korean Government for a "unified Government for all Korea".
- " 19 General Conference of UNESCO, Fourth Session, Paris.
- " 20 U.N. General Assembly, Lake Success.
- Oct. — General elections, Austria.
- " — Meeting of Committee of Cultural Advisers of Brussels Treaty Powers, Luxembourg
- " — Conference of Socialist Union of Central-Eastern Europe, Paris.
- " 20 Economic Commission for Asia and the Far East, Fifth Session, Singapore.
- " 20 European Cultural Conference organized by the European Movement, Lausanne.
- Nov. — Constituent Conference of New Trade Union International.
- " — Meeting of Executive Committee of World Federation of Trade Unions, Peking.
- " 9 General Elections, Egypt.